

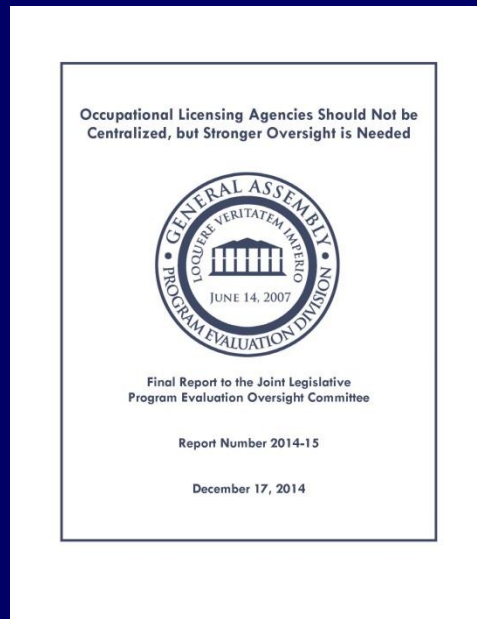
Occupational Licensing Agencies Should Not be Centralized, but Stronger Oversight is Needed

**A presentation to the
Joint Legislative Administrative Procedure Oversight Committee,
October 4, 2016**

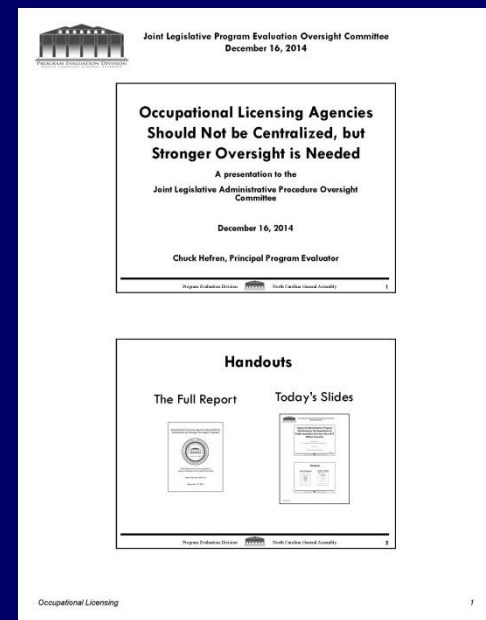
Chuck Hefren, Principal Program Evaluator

Handouts

The Full Report



Today's Slides



Study Direction

- **Directed by General Assembly in Session Law 2013-413, Section 10.(a)**
- **Evaluate the structure, organization, and operation of independent occupational licensing agencies (OLAs) as defined by G.S. 93B-1**

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Independent Occupational Licensing Agencies (OLAs)

- **PED identified 55 OLAs that meet statutory definition**
- **Fully independent state agencies**
 - **do not receive any state general revenue**
 - **are not subject to legislative requirements concerning the expenditure of funds**

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Objectives of Occupational Regulation

- **Ensure that the public is protected from harm**
- **Provide assurances that the regulated individual is competent**
- **Provide a means to enforce occupational standards**

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Occupational Regulation Can Be Achieved in Several Ways

<div>Most restrictive</div> <div>Least restrictive</div>	Form of Occupational Regulation	Risk to Public Welfare	Characteristics
	Licensure	High	Prohibits anyone from obtaining livelihood in the occupation without permission from a government agency
	Certification	Moderate	Individuals not certified may practice but cannot use protected title
	Registration	Low	Requires individuals to list their names with a designated government agency

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Finding

Twelve OLAs did not provide sufficient information to justify continued licensing authority

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Licensing Requirement Assessment Criteria

The risk of public harm is sufficient to justify the costs to public and practitioners, which include:

- **increased cost to consumers**
- **restrictions on the ability of individuals to work**
- **restrictions on public access to services**
- **limits on licensee mobility**

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Licensing Requirement Assessment Factors

- Identified public harm
- Submitted complaints
- Disciplinary actions
- Other state licensure requirement

Licensing Requirement Assessment Identified OLAs

- 1. Cape Fear River Navigation and Pilotage**
- 2. Electrolysis**
- 3. Fee-Based Practicing Pastoral Counselors**
- 4. Foresters**
- 5. Interpreters and Translators**
- 6. Landscape Architects**
- 7. Landscape Contractors**
- 8. Locksmiths**
- 9. Morehead City Navigation and Pilotage**
- 10. Opticians**
- 11. Recreational Therapy**
- 12. Refrigeration**

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Finding

Consolidation of ten OLAs can help ensure that necessary resources are available to effectively regulate licensed occupations

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OLA Consolidation Assessment Criteria

Consolidation is appropriate when OLA lacks the necessary resources to effectively regulate the occupation

- **Helps ensure adequate regulation**
- **May result in improved services**

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OLA Consolidation Assessment Factors

- Annual Revenue
- Financial Solvency

OLA Consolidation Assessment

Identified OLAs

- 1. Acupuncture**
- 2. Athletic Trainers**
- 3. Cape Fear River Navigation and Pilotage**
- 4. Environmental Health Specialists**
- 5. Fee-Based Practicing Pastoral Counselors**
- 6. Foresters**
- 7. Locksmiths**
- 8. Morehead City Navigation and Pilotage**
- 9. Nursing Home Administrators**
- 10. Opticians**

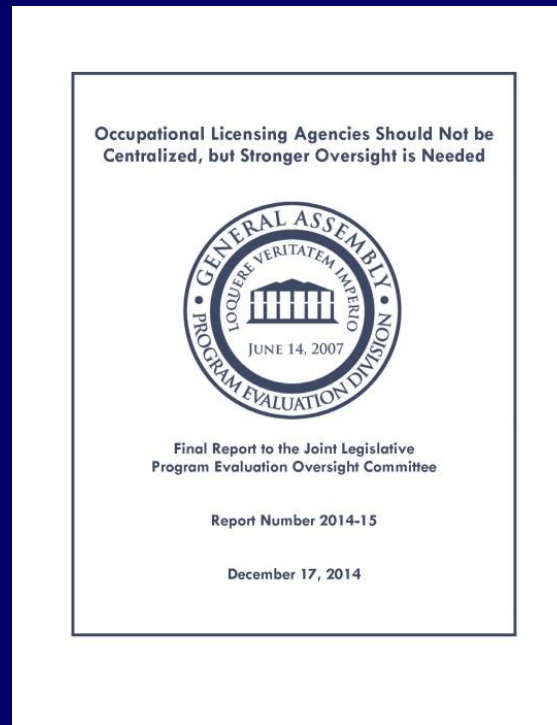
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Recommendation

- **Establish OLA Commission to assist General Assembly in making the final determination to eliminate OLA licensing authority or consolidate with another licensing entity**
 - **Nine member commission with staffing assistance**
 - **Funded with OLA receipts**
 - **May be time limited**

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**Report available online at
www.ncleg.net/PED/Reports/reports.html**



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